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Programme budget for the biennium 2008-2009

Proposed programme budget for the biennium 2010-2011

Administrative expenses of the United Nations Joint Staff Pension Fund

Seventh report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2010-2011

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the United Nations Joint Staff Pension Board on the administrative expenses of the United Nations Joint Staff Pension Fund (A/64/291) and the report of the Secretary-General on the administrative and financial implications arising from the report of the United Nations Joint Staff Pension Board (A/C.5/64/2). In addition, the Committee had before it a note by the Secretary-General on the membership of the Investment Committee (A/64/103). During its consideration of the report, the Advisory Committee met with the Chairman of the Pension Board, the Chief Executive Officer of the Fund and the Representative of the Secretary-General for the Investments of the Fund.

2. The report of the United Nations Joint Staff Pension Board (A/64/291) contains the revised appropriation and performance report for the biennium 2008-2009, the proposed budget estimates for the biennium 2010-2011 and a proposal for authorization to supplement contributions to the Emergency Fund for the biennium 2010-2011 by an amount not exceeding $200,000. Annex VII of the report summarizes the discussion in the Pension Board on the revised appropriations for the biennium 2008-2009 and estimates for 2010-2011. Section V of the report contains the actions to be taken by the General Assembly.

3. As shown in annexes X and XI to the report of the Pension Board, there were 22 member organizations of the United Nations Joint Staff Pension Fund at 31 December 2008, with a combined total number of 172,749 active participants,

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retirees and other beneficiaries covered by the Fund. With the admission of the Special Tribunal for Lebanon as a new member organization of the Pension Fund effective 1 January 2009 (see General Assembly resolution 63/252), there are currently 23 member organizations of the Fund. The Advisory Committee was informed that in recent years the growth in the number of individuals that are serviced by the Fund has increased significantly, with an increase of over 53 per cent in the number of individuals being serviced in the past 10 years. Annex XI of the Board's report shows the total number of participants and beneficiaries as well as statistics on contributions and benefit payments from December 1995 to December 2008.

4. As at 31 December 2008, the population of active participants in the Pension Fund had increased to 112,804 individuals (representing an additional 5.9 per cent increase during 2008) and the number of periodic benefits in award had increased to 59,945 individuals (representing an additional 3.2 per cent increase during the same period) (A/64/291, para. 3). On 31 December 2008, the breakdown of the periodic benefits in award was as follows: 20,550 retirement benefits, 13,653 early retirement benefits, 6,932 deferred retirement benefits, 9,538 widows' and widowers' benefits, 8,072 children's benefits, 1,161 disability benefits and 39 secondary dependants' benefits. In the course of the year ending 31 December 2008, 6,325 withdrawals and other settlements were paid. Figures I and II in the report of the Pension Board illustrate the growth in the number of active participants and in the number of periodic benefits in payment since 1997.

5. In 2008, total contributions by organizations and active participants amounted to $1,789.3 million and total benefit payments amounted to $1,842.5 million, with payouts exceeding total contributions by $53.2 million covered by investment income of the Fund. The Board notes that as the Fund continues to mature, it will rely more on investment income for the payment of pensions and related benefits rather than employer and employee contributions.

6. As at 31 December 2008, the market value of the Fund's assets amounted to $31.3 billion as against $41.7 billion at the end of December 2007, representing a decrease of approximately 25 per cent. As at 31 March 2009 (the normal reporting date used in the reports to the Pension Board), the market value of the Fund's assets stood at $29.0 billion as against $40.6 billion a year earlier, a decrease of approximately 28.5 per cent. The total investment return, which takes into account timing of cash flows for the same period, was -28.3 per cent, representing a "real" or inflation-adjusted return of -28.1 per cent (A/64/291, para. 7). The Advisory Committee was informed that on 30 September 2009, the assets of the Fund were valued at $36.5 billion as a result of the resurgence of equity prices worldwide.

7. Following requests by the Standing Committee of the Pension Board and the Advisory Committee, the budget presentation in the Board's report follows a results-based budgeting format adopted in the 2008-2009 biennium. Resources are requested in line with the Fund's programmes. The number of sections in the report of the Board has been reduced and only summarized information has been given in the main part of the document, with justification and subsidiary information contained in the annexes. The Advisory Committee was informed that the budget for the 2010-2011 biennium reflects the priorities outlined in the third management charter of the Fund presented to and approved by the Pension Board. The priorities comprise the new Integrated Pension Administration System, implementation of the

new accounting standards and the reconfiguration of staffing in line with the recommendations of the whole office review, the Audit Committee and various audit reports.

8. **The Advisory Committee notes the progress made to follow a results-based budgeting format in the budget submission for the biennium 2010-2011. The Committee is of the view that further efforts should be made; for example, there is a need to link further the Fund's management charter with clear indicators of achievement for the Fund as a whole and with the overall planned outputs for the budget. In the Committee's opinion, in some sections of the budget the resources required are not clearly presented (e.g., the requirements for the Geneva office), and it is not easy to link the need for resources for non-post requirements with the activities described under the Fund's programme of work.**

9. The Advisory Committee notes from paragraph 55 of the report of the Pension Board that progress has been made in standardizing budget methodology and terminology with that used by the United Nations Secretariat for budgeting purposes. **In the Committee's view, however, there is a need for further standardization of terminology; for example, the reporting of underexpenditure resulting from the underutilization of resources is often referred to as savings (A/64/291, paras. 22-26). In the Committee's opinion, the concept of savings should be used in the context of reporting unutilized resources arising from efficiencies and productivity gains.**

II. Revised budget estimates and performance report for the biennium 2008-2009

10. In its resolution 62/241, the General Assembly approved appropriations for the biennium 2008-2009 totalling $150,995,100, comprising administrative costs ($75,994,800), investment costs ($72,347,900), audit costs ($2,589,700) and Board expenses ($62,700). Of this amount, $131,996,500 is chargeable directly to the Fund and $18,998,600, is the share of costs borne by the United Nations. In addition, resources amounting to $153,600 were authorized for extrabudgetary costs and funded by a number of member organizations. In section I of its resolution 63/252, the Assembly increased the appropriations by $2,204,000 to a total of $153,199,100, comprising administrative costs ($75,899,200), investment costs ($74,637,500), audit costs ($2,589,700) and Board expenses ($72,700). Of this amount, $134,351,100 is chargeable directly to the Fund, $18,848,000 being the share of costs borne by the United Nations.

11. Table 1 in the report of the Pension Board summarizes the total estimated expenditures for the biennium 2008-2009. The Fund's expenditures for the biennium comprise two elements: (a) actual expenditures for the 15-month period from 1 January 2008 to 31 March 2009; and (b) estimated expenditures for the 9-month period from 1 April to 31 December 2009. The reasons for the reported variances in expenditure have been explained in paragraphs 13 to 36 of the report. Upon request, the Advisory Committee was provided with information on the most recently available actual and projected expenditure for the biennium 2008-2009 (see annex I to the present report). Total expenditure for the biennium 2008-2009 is now estimated at $128,195,200, comprised of administrative costs ($71,640,200),

investment costs ($54,114,800), audit costs ($2,340,200) and Board costs ($100,000), resulting in projected savings of $25,003,900, or 16.3 per cent of the total appropriation. In addition, the projected expenditure of $134,700 for extrabudgetary costs will result in an underexpenditure of $18,900 or 12.3 per cent of the appropriation.

12. Under administrative costs, paragraphs 16 to 21 of the report of the Pension Board discuss the status of projects undertaken by the Fund in the biennium 2008-2009, and table 2 of the report shows appropriations and expenditures by project for the biennium 2008-2009. The Committee notes that the Information Technology Consolidation Working Group reached an agreement as to the best model to follow for the efficient and effective consolidation of infrastructure services under the Information Management Systems Service, which is intended to ensure a seamless consolidation of the computing infrastructure of the Investment Management Service and the Fund's secretariat. In the interim, the Investment Management Service has drawn upon the resources allocated within this initiative to maintain its systems. It is anticipated that 75 per cent of the consolidation will be completed by the end of the 2008-2009 biennium. Of the 38 areas identified for consolidation, 29 will be completed during the current biennium and 9 will be carried forward to the objectives of the 2010-2011 biennium. Under the priorities defined by the Investment Management Service, the work has also started on implementation of the SWIFT and Charles River trade order management systems. It is anticipated that both systems will be operational during the biennium and a functional disaster recovery solution will be in place for them in the near term.

III. Proposed budget for the biennium 2010-2011

13. The proposed budget of the Fund for the biennium 2010-2011 amounts to $172,618,900 (before recosting), comprising administrative costs of $90,532,900, investment costs of $79,483,000, audit costs of $2,503,000 and Pension Board expenses of $100,000.

14. Upon request, the Advisory Committee was provided with a table of financial resource requirements for the biennium 2010-2011 amounting to $172,618,900, as compared with the revised appropriations for the biennium 2008-2009 of $128,195,200 (see annex II to the present report). The overall increase in resources requested amounts to $44,423,700 (before recosting), or a 34.7 per cent increase, reflecting the following:

(a) An increase of $18,892,700 in administrative costs comprising the net effect of the proposed increase in posts ($5,941,100) and non-post costs ($12,951,600). Increases in non-post costs are primarily attributable to the growth in contractual services ($10,836,900), furniture and equipment ($1,753,500), other staff costs ($727,300), travel of staff and representatives ($353,200), consultants ($346,200) and hospitality ($700), partially offset by reductions in general operating expenses of $1,016,000 and in supplies and materials of $50,200. Of the total increase, $14,121,500 is directly attributable to the implementation of the Integrated Pension Administration System project;

(b) An increase of $25,368,200 in investment costs comprising the net effect of the proposed increase in posts ($2,831,400) and non-post costs ($22,536,800). Increases in non-post costs are primarily caused by growth in contractual services

($22,417,500), consultants ($1,029,300), travel of staff and representatives ($646,200), furniture and equipment ($110,400), supplies and materials ($58,800), other staff costs ($2,900) and hospitality ($7,300), partially offset by a reduction in general operating expenses of $1,735,600 resulting from completion of the renovations of the office space;

(c) An increase in resources for audit costs amounting to $162,800 comprising a decrease in the apportioned cost applicable to the Fund for the Board of Auditors ($20,900) and, in relation to internal audit, the net effect of proposed increases in posts ($77,500), consultants ($68,800), general operating expenses ($21,800), travel of staff ($21,000), supplies and materials ($3,700) and training ($700) and a decrease in contractual services ($5,300) and furniture and equipment ($4,500).

15. Human resources requirements for the Fund as a whole are shown in table 5 of the report of the Pension Board. A total of 255 posts, including one extrabudgetary post, are requested for the Fund's operations in the biennium 2010-2011. The proposed staffing table provides for the establishment of 23 additional established posts and 18 temporary posts. Upon request, the Advisory Committee was provided with information on the evolution of the Fund's staffing by programme. The Committee was informed that as at 13 October 2009 there were 13 vacant posts, reflecting a vacancy rate of 6.1 per cent. **During the last two bienniums, there has been a large increase in staff in the secretariat of the Fund, as well as a significant investment in information technology systems (see annex III to the present report).**

16. A whole office review was carried out in 2008 and presented to the Pension Board. The review was undertaken pursuant to paragraphs 4 and 5 of General Assembly resolution 62/241. The Assembly had requested that the Chief Executive Officer of the Fund and the Representative of the Secretary-General for Investments should undertake an overall review of the staffing and organizational structure in their respective areas, including drawing on relevant industry benchmarks and best practice. The whole office review was conducted to (a) provide a strategic, objective and independent review of the Fund's functions and structure within the context of relevant benchmarks and best practices; (b) identify and recommend alternative structures and staffing needed to support current and future organizational requirements; and (c) assist the Fund in responding to the Board's request to develop a more strategic approach to the human resources requirements of the Fund. The proposed staffing requirements for the biennium 2010-2011 recommended by the Pension Board took into account the recommendations of the whole office review.

17. **The Advisory Committee does not object to the recommendations of the Pension Board in respect of the proposed staffing of the Fund for the biennium 2010-2011 but does emphasize its expectation for restraint in future budgets when proposing staffing requirements (see para. 15 above).**

18. Implementation of the Integrated Pension Administration System, the new enterprise resource planning system of the Fund, will be the Fund's most important operational undertaking during the next two bienniums. Pre-implementation activities have already commenced during the 2008-2009 biennium. The project is expected to commence in November 2010 and full implementation would be

completed by November 2013. The cost estimates of the Fund's Integrated Pension Administration System project would amount to some $14.1 million in 2010-2011.

19. The Advisory Committee was informed that the Board had approved the project plan and implementation approach of the Integrated Pension Administration System project in 2008 and considered detailed costs estimates relating to hardware, software contractual services and other costs in 2009. The Committee was provided with a report on the planning study on the Integrated Pension Administration System. This major undertaking of the Fund will result in the replacement of the current ageing information technology system.

20. **The Advisory Committee does not object to the recommendations of the Pension Board.**

21. **Recognizing the significant investment made in the information technology systems, including the Integrated Pension Administration System, and the enterprise resource planning project, the Committee expects to see concrete efficiency gains from the investments made in these information technology systems.**

Investment service

22. Investment costs are discussed in paragraphs 95 to 128 of the report of the Pension Board. The Committee was informed that the increase in resources under investment costs would be used to strengthen information systems and risk management arrangements through staffing and contractual reinforcements. The investment costs, as in previous budgets, would be charged directly to the principal of the Fund and not to the budgets of member organizations of the Pension Fund. The Advisory Committee was informed that, as in the past, other issues, including investment management matters not included in the budget submission for 2010-2011 that were considered by the Pension Board in July 2009, will be reported to the General Assembly next year during its sixty-fifth session.

23. The Advisory Committee was informed that the proposed increase in posts in the Investment Management Service was needed as a result of the decision against outsourcing its investment management function and thus placing its reliance heavily upon the internal management of 90 per cent of the Fund's assets. The Committee was informed that there have been a number of dangerous gaps in staffing where essential ongoing functions have been staffed by a single individual. This has been found to be fundamentally unsound and potentially dangerous for the Fund.

24. **The Advisory Committee recommends that the impact of the decision of the Board to establish a full in-house investment management function be carefully monitored in comparison with best practices and benchmarks of the industry. The Committee recommends that the Secretary-General keep this issue under review to ensure that the Fund's long-term investment objectives are met.**

25. The Committee notes the indicators of achievement related to the Fund's investment policy benchmark. It is expected that the total Fund return will exceed the policy benchmark. The long-term investment objectives of the Fund are to obtain an investment return of 3.5 per cent after inflation adjustment over the long term while avoiding undue risk. The Committee was informed that the Fund's

compound annual rate of return for the 20-year period ending 31 March 2009 was 7.2 per cent. Upon request, the Committee was provided with additional information on investments by country.

26. **The Advisory Committee notes the continued efforts of the Secretary-General, as fiduciary for the investment of the assets of the Fund, to diversify the Fund's investments among developed markets and emerging markets. The Committee continues to stress that decisions concerning the investments should be based on the four main criteria for investment, namely, safety, profitability, liquidity and convertibility, established by the General Assembly in its resolution 32/73 and reaffirmed most recently in its resolution 63/252.**

27. Annex V to the report of the Pension Board concerns the issue of cost-sharing arrangements between the United Nations and the Pension Fund. The sharing of the costs of administering the Fund is based on articles 4 (a) and 15 of its Regulations. According to its Regulations, expenses incurred in the administration of the Fund must be met by its member organizations. In accordance with the apportionment formula agreed to by the Board and the General Assembly in 1954 and reconfirmed as reasonable in 1979, the United Nations share includes one third of the total cost of established posts, related common staff costs and overtime, as well as a contribution to the identifiable costs of communications. During the review of the cost-sharing arrangement by the Pension Board in 1998 (see A/53/9) the Fund secretariat and the United Nations Administration jointly concluded that the one-third/two-thirds formula continued to be reasonable and fair. It was also agreed that, if the one-third/two-thirds formula was a fair assumption for the reimbursement of staffing costs, it should also be used for costs that had previously not been shared: general temporary assistance, computer, office space and audit costs.

28. The administrative costs of the Pension Fund are funded from three sources: the principal of the Fund; the United Nations regular budget; and other agencies. This is in conformity with the cost-sharing arrangement, which stipulates that in return for the Fund acting as the secretariat of the Staff Pension Committee of the United Nations and the New York-based funds and programmes, the United Nations provides certain services to the Fund free of cost. In addition, the United Nations and other agencies fund a portion of administrative and audit costs. The cost of the Investment Management Service is fully charged to the principal of the Fund as mentioned in paragraph 22 above.

29. **The Advisory Committee recommends that the Secretary-General keep the issue of cost-sharing arrangements under review.**

IV. Membership of the Investment Committee

30. Article 20 of the Regulations of the Pension Fund stipulates that the members of the Investment Committee shall be appointed by the Secretary-General after consultation with the Pension Board and the Advisory Committee, subject to confirmation by the General Assembly. The Secretary-General conveyed to the Pension Board and the Advisory Committee the names of three regular members and two ad hoc members of the Investments Committee whom he intended to propose to the Assembly for reappointment. **The Advisory Committee communicated its concurrence with these proposals to the Secretary-General.**

V. Conclusion

31. The Secretary-General, in his report on the administrative and financial implications arising from the report of the Pension Board (A/C.5/64/2), states that should the General Assembly approve the proposals and recommendations of the Pension Board, the overall requirements that would arise for the United Nations are estimated at $22,238,300 (at 2010-2011 rates). Of the total requirements for the biennium 2010-2011, the cost of the regular budget would amount to $14,188,000 and the balance of $8,050,300 would be reimbursed to the United Nations by the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Children's Fund (UNICEF).

32. In paragraph 1.28 of the proposed programme budget for the biennium 2010-2011 (A/64/6 (Sect. 1)), it is indicated that the estimated requirements of $11,751,800 ($12,322,500 at 2010-2011 rates) relate to the regular budget share of the cost of the central secretariat of the Fund, excluding reimbursements anticipated from UNDP, UNFPA and UNICEF. Accordingly, an additional appropriation of $1,865,500 would be required under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2010-2011. The provision would represent a charge against the contingency fund.

33. **The Advisory Committee recommends that the General Assembly approve the recommendations of the Pension Board as contained in paragraph 133 of its report (A/64/291). Accordingly, the Advisory Committee recommends an additional appropriation in the amount of $1,865,500 under the regular budget for the biennium 2010-2011, arising from the recommendations of the Board (para. 11 of A/C.5/64/2).**

Annex I

Budget estimates for the biennium 2008-2009: performance report

Revised estimates for the biennium 2008-2009 by object of expenditure

(Thousands of United States dollars)

	Approved appropriations			*Expenditures for the 21-month period 1 January 2008-30 September 2009*			*Estimated expenditures for the 3-month period 1 October-31 December 2009*			*Increase or (decrease) for the biennium 2008-2009*			*Proposed final 2008-2009 appropriations*		
	Pension Fund	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*
	(a)			*(b)*			*(c)*			*(d)=(b)+(c)-(a)*			*(e)=(a)+(d)*		
Administrative costs															
Posts	24 020.9	11 231.8	35 252.7	20 107.6	9 247.2	29 354.8	3 105.3	1 452.0	4 557.3	(808.0)	(532.6)	(1 340.6)	23 212.9	10 699.2	33 912.1
Other staff costs	3 268.6	364.0	3 632.6	1 726.4	483.6	2 210.0	871.2	129.7	1 000.9	(671.0)	249.3	(421.7)	2 597.6	613.3	3 210.9
Consultants	85.0	—	85.0	91.4	—	91.4	—	—	—	6.40	—	6.40	91.4	—	91.4
Travel	1 075.2	—	1 075.2	905.6	—	905.6	169.3	—	169.3	(0.3)	—	(0.30)	1 074.9	—	1 074.3
Contractual services	16 015.2	3 362.9	19 378.1	10 996.9	2 948.4	13 945.3	2 629.2	373.3	3 002.5	(2 389.1)	(41.2)	(2 430.3)	13 626.1	3 321.7	16 947.8
Hospitality	3.2	—	3.2	2.3	—	2.3	1.0	—	1.0	—	—	—	3.3	—	3.3
General operating expenses	8 846.0	2 925.4	11 771.4	8 322.8	2 669.2	10 992.0	686.7	214.3	901.0	163.5	(41.9)	121.6	9 009.5	2 883.5	11 893.0
Supplies and materials	173.0	66.4	239.4	165.6	63.2	228.8	27.5	4.0	31.5	20.1	0.8	20.9	193.1	67.2	260.3
Furniture and equipment	3 995.7	465.9	4 461.6	2 029.8	362.8	2 392.6	1 754.2	99.7	1 853.9	(211.7)	(3.4)	(215.1)	3 784.0	462.5	4 246.5
Total administrative	**57 482.8**	**18 416.4**	**75 899.2**	**44 348.4**	**15 774.4**	**60 122.8**	**9 244.4**	**2 273.0**	**11 517.4**	**(3 890.0)**	**(369.0)**	**(4 259.0)**	**53 592.8**	**18 047.4**	**71 640.2**
Investment costs															
Posts	12 122.5		12 122.5	9 052.8	—	9 052.8	1 650.7	—	1 650.7	(1 419.0)	—	(1 419.0)	10 703.5	—	10 703.5
Other staff costs	657.0		657.0	437.1	—	437.1	582.3	—	582.3	362.4	—	362.4	1 019.4	—	1 019.4
Consultants	1 384.5		1 384.5	299.5	—	299.5	500.0	—	500.0	(585.0)	—	(585.0)	799.5	—	799.5
Travel	1 888.0		1 888.0	1 002.1	—	1 002.1	351.7	—	351.7	(534.2)	—	(534.2)	1 353.8	—	1 353.8
Contractual services	52 210.2		52 210.2	28 708.0	—	28 708.0	5 301.4	—	5 301.4	(18 200.8)	—	(18 200.8)	34 009.4	—	34 009.4
Hospitality	22.0		22.0	12.7	—	12.7	2.0	—	2.0	(7.3)	—	(7.3)	14.7	—	14.7
General operating expenses	5 662.5		5 662.5	4 789.0	—	4 789.0	734.7	—	734.7	(138.8)	—	(138.8)	5 523.7	—	5 523.7

	Approved appropriations			*Expenditures for the 21-month period 1 January 2008-30 September 2009*			*Estimated expenditures for the 3-month period 1 October-31 December 2009*			*Increase or (decrease) for the biennium 2008-2009*			*Proposed final 2008-2009 appropriations*		
	Pension Fund	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*	*Pension Fund*	*United Nations*	*Total*
	(a)			*(b)*			*(c)*			*(d)=(b)+(c)-(a)*			*(e)=(a)+(d)*		
Supplies and materials	101.2		101.2	87.0	—	87.0	14.2	—	14.2	—	—	—	101.2	—	101.2
Furniture and equipment	589.6		589.6	231.3	—	231.3	358.3	—	358.3	—	—	—	589.6	—	589.6
Total investment	**74 637.5**		**74 637.5**	**44 619.5**		**44 619.5**	**9 495.3**		**9 495.3**	**(20 522.7)**		**(20 522.7)**	**54 114.8**		**54 114.8**
Audit costs															
External audit	568.4	113.7	682.1	238.0	47.6	285.6	330.4	66.1	396.5	—	—	—	568.4	113.7	682.1
Internal audit	1 589.7	317.9	1 907.6	1 198.7	239.7	1 438.4	183.1	36.6	219.7	(207.9)	(41.6)	(249.5)	1 381.8	276.3	1 658.1
Total audit	**2 158.1**	**431.6**	**2 589.7**	**1 436.7**	**287.3**	**1 724.0**	**513.5**	**102.7**	**616.2**	**(207.9)**	**(41.6)**	**(249.5)**	**1 950.2**	**390.0**	**2 340.2**
Board expenses	**72.7**	—	**72.7**	**66.0**	—	**66.0**	**34.0**	—	**34.0**	**27.3**	—	**27.3**	**100.0**	—	**100.0**
Total resources	**134 351.1**	**18 848.0**	**153 199.1**	**90 470.6**	**16 061.7**	**106 532.3**	**19 287.2**	**2 375.7**	**21 662.9**	**(24 593.3)**	**(410.6)**	**(25 003.9)**	**109 757.8**	**18 437.4**	**128 195.2**
Extrabudgetary costs (after-service health insurance)															
Operational activities	**153.6**	—	**153.6**	**111.7**	—	**111.7**	**23.0**	—	**23.0**	**(18.9)**	—	**(18.9)**	**134.7**	—	**134.7**

Annex II

Revised appropriations for 2008-2009 and proposed budget for 2010-2011

(Thousands of United States dollars)

Category	2006-2007 expenditure	2008-2009 revised appropriation	Resource growth		Total before recosting	Recosting	Apportionment		2010-2011 estimate
			Amount	Percentage			United Nations	Pension Fund	
Administrative costs									
Posts	28 811.5	33 912.1	3 310.7	9.8	37 222.8	3 594.9	12 985.6	27 832.1	40 817.7
Temporary posts IPAS	—	—	2 630.4	—	2 630.4	340.5	—	2 970.9	2 970.9
Other staff costs	1 465.7	3 210.9	727.3	22.7	3 938.2		1 202.0	2 736.2	3 938.2
Consultants	—	91.4	346.2	378.8	437.6	—	—	437.6	437.6
Travel	514.4	1 074.9	353.2	32.9	1 428.1	—	—	1 428.1	1 428.1
Contractual services	11 883.1	16 947.8	10 836.9	63.9	27 784.7	—	3 851.7	23 933.0	27 784.7
Hospitality	3.3	3.3	0.7	21.2	4.0	—	—	4.0	4.0
General operating expenses[a]	9 780.6	11 893.0	(1 016.0)	(8.5)	10 877.0	—	3 220.2	7 656.8	10 877.0
Supplies and materials	373.1	260.3	(50.2)	(19.3)	210.1	—	87.5	122.6	210.1
Furniture and equipment	2 623.4	4 246.5	1 753.5	41.3	6 000	—	440.0	5 560.0	6 000.0
Administrative total	**55 455.1**	**71 640.2**	**18 892.7**	**26.4**	**90 532.9**	**3 935.4**	**21 787.0**	**72 681.3**	**94 468.3**
Investment costs									
Posts	7 277.3	10 703.5	2 831.4	26.5	13 534.9	2 372.2	—	15 907.1	15 907.1
Other staff costs	78.1	1 019.4	2.9	0.3	1 022.3	—	—	1 022.3	1 022.3
Consultants	869.4	799.5	1 029.3	128.7	1 828.8	—	—	1 828.8	1 828.8
Travel	576.9	1 353.8	646.2	47.7	2 000	—	—	2 000	2 000
Contractual services	31 766.8	34 009.4	22 417.5	65.9	56 426.9	—	—	56 426.9	56 426.9
Hospitality	9.5	14.7	7.3	49.7	22.0	—	—	22.0	22.0
General operating expenses	2 082.8	5 523.7	(1 735.6)	(31.4)	3 788.1	—	—	3 788.1	3 788.1
Supplies and materials	161.4	101.2	58.8	58.1	160.0	—	—	160.0	160.0
Furniture and equipment	343.3	589.6	110.4	18.7	700.0	—	—	700.0	700.0
Investment total	**43 165.5**	**54 114.8**	**25 368.2**	**46.9**	**79 483.0**	**2 372.2**	**—**	**81 855.2**	**81 855.2**
Audit costs									
External audit	582.3	682.1	(20.9)	(3.1)	661.2	—	110.2	551.0	661.2
Internal audit	1 016.3	1 658.1	183.7	11.1	1 841.8	204.7	341.1	1 705.4	2 046.5
Audit total	**1 598.6**	**2 340.2**	**162.8**	**7.0**	**2 503.0**	**204.7**	**451.3**	**2 256.4**	**2 707.7**
Board expenses	—	**100.0**			**100.0**	—	—	**100.0**	**100.0**
Total resources required	**100 219.2**	**128 195.2**	**44 423.7**	**34.7**	**172 618.9**	**6 512.3**	**22 238.3**	**156 892.9**	**179 131.2**
Extrabudgetary costs (after-service health insurance)									
Operational activities		134.7	18.9	14.0	153.6	9.0		162.6	162.6

[a] Includes bank interest for the bienniums 2006-2007 and 2008-2009.

Annex III

United Nations Joint Staff Pension Fund: approved posts for the bienniums 2004-2005, 2006-2007 and 2008-2009, and requested posts for the biennium 2010-2011, by programme

	Number of posts											
	2004-2005			*2006-2007*			*2008-2009*			*2010-2011*		
Programme	*Prof*	*GS*	*Total*	*Prof*	*GS*	*Total*	*Prof*	*GS*	*Total*	*Prof*	*GS*	*Total*
Secretariat												
Executive direction and management	4	3	**7**	5	3	**8**	7	3	**10**	8	5	**13**
Programme of work												
Office of the Chief of Operations	2	1	**3**	2	1	**3**	2	1	**3**			
Operations[a]	5	40	**45**	5	40	**45**	7	43	**50**	16	49	**65**
Financial Services Section	8	23	**31**	10	27	**37**	11	27	**38**	15	31	**46**
Geneva Office	6	16	**22**	7	18	**25**	8	23	**31**	9	23	**32**
Subtotal	**21**	**80**	**101**	**24**	**86**	**110**	**28**	**94**	**122**	**40**	**103**	**143**
Programme support												
Information Management Systems Service	17	6	**23**	18	6	**24**	19	7	**26**	26	8	**34**
Executive Office	2	3	**5**	3	3	**6**	3	4	**7**	3	4	**7**
Subtotal	**19**	**9**	**28**	**21**	**9**	**30**	**22**	**11**	**33**	**29**	**12**	**41**
Secretariat total	**44**	**92**	**136**	**50**	**98**	**148**	**57**	**108**	**165**	**77**	**120**	**197**
Investments												
Executive direction and management	2	3	**5**	2	4	**6**	3	4	**7**	3	4	**7**
Programme of work												
Investment Section	6	8	**14**	11	7	**18**	15	8	**23**	18	9	**27**
Operations Section	2	8	**10**	2	8	**10**	2	9	**11**	2	9	**11**
Risk and Compliance Section	—	—	—	3	—	**3**	4	2	**6**	4	2	**6**
Subtotal	**8**	**16**	**24**	**16**	**15**	**31**	**21**	**19**	**40**	**24**	**20**	**44**
Programme support												
Information Systems Section	2	1	**3**	3	1	**4**	2	—	**2**	6	1	**7**
Investments total	**12**	**20**	**32**	**21**	**20**	**41**	**26**	**23**	**49**	**33**	**25**	**58**
Total	**56**	**112**	**168**	**71**	**118**	**189**	**83**	**131**	**214**	**110**	**145**	**255**

[a] The office of the Chief of Operations and Pension Entitlements and Client Services amalgamated as Operations.
[b] Includes 6 temporary posts (3 P-4, 2 P-3, 1 GS-OL) for the IPAS project.
[c] Includes 6 temporary posts (3 P-4, 3 GS-OL) for the IPAS project.
[d] Includes 6 temporary posts (1 P-5, 2 P-4, 2 P-3, 1 GS-OL) for the IPAS project.
[e] Includes 18 temporary posts (1 P-5, 8 P-4, 4 P-3, 5 GS-OL) for the IPAS project.